

## COMMENT SET 7: SANTA BARBARA COUNTY - PLANNING AND DEVELOPMENT



County of Santa Barbara  
Planning and Development  
John Baker, Director  
Dianne Meester Black, Assistant Director

September 15, 2006

Mr. Peter Strait  
California State Lands Commission  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825

Re: Comments on the Draft EIR  
Proposed Ellwood Marine Terminal Lease Renewal

Dear Mr. Strait:

Thank you for the opportunity to comment on the Draft EIR for the proposed Ellwood Marine Terminal lease renewal. As was demonstrated at the public scoping hearing on August 4, 2004 and the public workshop on August 30, 2006, there is significant public concern with renewal of the lease. The concerns expressed included the overall physical integrity of the aging marine terminal facilities, ongoing odor complaints, threats of oil spills to Coal Oil Point Reserve and the Channel, impacts on children's health due to emissions, and the overall safety considerations of a barging operation within and near these sensitive receptors.

The project area supports some of the most sensitive coastal resources on the South Coast of Santa Barbara County, including the Coal Oil Point Reserve. The Reserve is replete with sensitive, unique and endangered plant and animal species, and provides some of the last remaining beneficial and rare wetland habitat remaining along our coast. In addition, the Reserve offers unique educational opportunities to local colleges and universities, visiting researchers, local elementary and high schools, as well as a place of profound interest and enjoyment to local residents.

Please consider our following comments in preparing the Final Environmental Impact Report. For your convenience, we identify the DEIR page, section and paragraph to which the comments apply, where possible.

- SBC-1
1. The EIR should include more detail on how the definition of the current baseline and future conditions values for oil production were derived. This baseline determination will be critical in identifying potential impacts of the lease extension and their significance. The current processing throughput is given as approximately 4,000 barrels per day or 4,100 barrels per day on pages 1-4 and 2-5, respectively. Page 1-6 identifies an additional 1,500 to 2,000 barrels per day potential increase in production from the re-drill of three production wells permitted by the CSLC in 2001. It is not clear whether these permitted re-drills have already taken place and are part of the baseline or are scheduled for the future. Based on the values for oil production noted above the future oil production can be estimated at 6,100 barrels per day. However, the value given for

123 East Anapamu Street • Santa Barbara, CA 93101-2058  
Phone: (805) 568-2000 FAX: (805) 568-2522

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| SBC-1<br>cont. |  | future conditions on page 1-6 is estimated at 13,000 barrels per day based on “projected well work and reasonable production forecasts”. Given the fact that this value is more than double the current production plus the re-work of the three production wells, the EIR should provide more detail on how this estimate was derived. Further, it is not clear whether the 13,000 barrels per day estimate includes the 700 barrels per day estimated for the potential reactivation of the Beachfront Lease (State Lease PRC 421) or the potential production from the proposed lease extension of PRC 3242.1 currently undergoing environmental review as part of the proposed Ellwood Oil Pipeline Installation and Field Improvements project. It should be noted that the potential production from the PRC 3242.1 extension, if approved, would have to be transported by pipeline to comply with AB16 approved by the legislature in September 2003. |
| SBC-2          |  | 2. The environmentally superior alternative (ESA) should be identified and discussed in another section of the document in addition to the Executive Summary. The Executive Summary is typically a summary of the main document and as such, it can only contain information encountered in the body of the main document. As noted in the Executive Summary, both the trucking and pipeline alternatives “...offer numerous advantages over the proposed Project and avoid a number of significant Class I impacts”. This information should be included in Section 3.0 (Alternatives), Section 5.0 (Other Required CEQA Sections) or another section within the body of the EIR document to identify and discuss the ESA.   |
| SBC-3          |  | 3. The DEIR lists both truck transportation and pipeline transportation as options of the No Project Alternative. As noted in the Executive Summary, both of these options offer numerous environmental advantages to the proposed project. As such, please consider presenting these options as stand alone project alternatives in the environmentally superior alternative discussion.   |
| SBC-4          |  | 4. In addition to the truck transportation and pipeline options, the no project alternative should also include cessation of operations as an option to be evaluated.   |
| SBC-5          |  | 5. The project applicant has recently initiated discussion with the County and the APCD regarding the feasibility of truck transportation from the EMT. As such, please consider adding truck transportation from the EMT as a project alternative.   |
| SBC-6          |  | 6. Section 4.7.5 provides a brief discussion of the impacts of alternatives with regard to Land Use, Planning and Recreation. The County does not agree with the DEIR conclusion that construction and operation of a loading rack at the EOF is consistent with the existing industrial operations and would not result in a change of land use. In addition to construction of the loading rack, oil storage, most likely in the form of a new storage tank or tanks would be required. Given the legal non-conforming status of the EOF and the limitations regarding the changes and activities that may occur under that zoning designation, the DEIR should provide more detail on the feasibility of obtaining   |

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SBC-6 cont.		permits for the installation and operation of a truck loading rack and oil storage at the EOF facility.
SBC-7	7.	Page 4.7-19 in Section 4.7.5 should note that County policy and regulations promote overland pipelines as the preferred environmental mode of transporting crude oil produced offshore and landed in the County for transport to refineries.
SBC-8	8.	The DEIR appears to lack a thorough policy consistency analysis for Coastal Act policies, such as was present in the Administrative Draft. This analysis is important for understanding the regulatory setting and should be included. However, please note that the proposed operations might not be consistent with CCA §30232, because "effective containment and clean-up" cannot be assured. In most cases the Coastal Commission has not found containment and clean-up to be effective, based on the fact that even under favorable conditions it is unusual to recover more than 15-25% of the spilled oil.
SBC-9	9.	Mitigation HM-4a, Loading Pipeline Leak Detection (p. 4.2-60), is incomplete considering: a) the very high probability of a marine oil spill during the project lifetime, b) the documented major impacts of such a spill, and c) the significant spill volumes that could go undetected by the flow balancing system. The condition should require a dedicated spotter whose sole responsibility is oil spill detection to be on duty at all times during loading operations.
SBC-10	10.	The County recommends an additional mitigation measure to facilitate effective spill response. As discussed on p. 4.4-29, high winds or wave heights in excess of 0.6 m render spill containment and skimming ineffective. By far the greatest risk of a marine oil spill is during barge loading operations, which typically requires about 12 hours to complete. We recommend adding a mitigation measure that limits barge loading operations to periods when wind and wave conditions that do not impede oil containment and recovery.
SBC-11	11.	The increased number of barge trips resulting from the lease extension will result in an increased probability of oil spills from the barge while en route to Los Angeles or San Francisco. The northern route is much longer than the southern one. Additionally, the northern route involves strong winds and currents and rougher seas, and passes near the Monterey Bay NMS and Farallones NMS. The proposed mitigation measures do not adequately mitigate impacts to increased oil spill risk for the barge in transit. Please include a mitigation measure, to limit Jovalan barging to the Ellwood to L.A. route, so as to eliminate the heightened risk of spills along the central California coastline.
SBC-12	12.	The spill probabilities analyzed in Section 4.2 are the probabilities of a single spill. The probability of multiple independent spills should also be analyzed. Assuming spills occur randomly and independently over the life of the project, the high probability of a single spill implies a significant probability of two or more spills. Limiting the

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SBC-12  
cont.

discussion to increases in the probability of a single spill gives a misleading impression that the only increased risk is for a single spill; in fact, the probability of multiple spills may increase much more than that of a single spill. Please refer to the discussions of multiple spill probability in the California Coastal Commission's Federal Consistency Determinations for 36 OCS Leases, August 11, 2005. Please expand the spill risk analysis to include the probability of multiple independent spills, so as to provide a more complete picture of spill risk.

SBC-13

13. Please update paragraph 3 on page 2-15 to reflect; the fact that repairs to the storage tanks at the EMT were supervised by the County System Safety Review and Reliability Committee (SSRRC), of which the APCD is a member, and that Tank 8264 was determined to be fit for service and cleared for use by the SSRRC in March of 2006.

SBC-14


14. Please consider updating page 2-31 with regards to the status of the Development Plan Application for the Ellwood Oil Pipeline Installation and Field Improvements Project. The project application was deemed complete on March 31, 2006 and is currently in the CEQA environmental review process.

SBC-15

15. The Executive Summary (page ES-24) states that with regards to oil spill risk, both alternative oil transportation options (truck transportation and pipeline) would result in beneficial impacts when compared to current EMT operations. Please consider expanding this determination and provide it in Section 4.2.5 (Hazards and Hazardous Materials, Impacts of Alternatives).

If you have any questions, please feel free to contact Dean Dusetta of my staff at (805) 568-2287.

Sincerely,

  
LUIS PEREZ  
ENERGY SPECIALIST

Cc: Steve Chase, City of Goleta  
Terry Dressler, Air Pollution Control District  
Alison Dettmer, California Coastal Commission  
Linda Krop, EDC  
Carla Frisk, Get Oil Out  
David Sangster, Area Resident

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**RESPONSE TO COMMENT SET 7: SANTA BARBARA COUNTY - PLANNING AND DEVELOPMENT**

SBC-1            The DEIR evaluates a 10-year extension of the marine terminal lease, which has been extended on an annual basis since the 10-year lease expired in 2003. Under its permit from the Santa Barbara APCD, Venoco is permitted to transport 13,000 barrels per day (bpd) through the EMT for a maximum of 88 trips of year. Even though current production levels are currently 4,000 barrels per day, which requires 2 to 3 barge loadings per month, the DEIR evaluated the EMT as if production necessitated operation at its maximum permitted level by 2013. This scenario accommodates all present and reasonably foreseeable production from Platform Holly.

The EIR did not consider transport through the EMT of any future production from Venoco's proposed Full Field Development Project (Project) because the EMT would be decommissioned if this project is implemented.

SBC-2            This information has been added to the end of the Alternatives Section of the Final EIR in response to the comment (see page 4-4).

SBC-3            The consideration of both truck and pipeline transportation of crude oil, discussed under the No Project Alternative, are each evaluated as stand alone options for consideration. As stated in the document, "Under the No Project Alternative, an alternative means of crude oil transportation would either need to be in place prior to decommissioning of the EMT or production at Platform Holly would cease. A consequence of the absence of the EMT and alternative crude oil transportation methods would be that the petroleum resources associated with the South Ellwood Field would be stranded, at least temporarily. It is more likely, however, that under the No Project Alternative, Venoco would pursue alternative means of traditional crude oil transportation such as truck transportation or a pipeline." The discussion of the environmentally superior alternative pursuant to section 15126.6(e)(2), State CEQA Guidelines, clearly evaluates the relative merits of these two alternatives in comparison to the proposed Project, and clearly identifies the preferred alternative transportation option.

1	SBC-4	Cessation of operations was not considered a feasible alternative in the
2		DEIR and would result in the stranding of resources. In the event a new
3		10-year lease extension is not granted, the EMT would most likely
4		continue operating on a year to year lease until an alternative
5		transportation mode, such as trucking or a pipeline, were permitted and
6		relevant facilities were constructed. See No Project Alternative.
7	SBC-5	The DEIR includes a truck transportation option under the No Project
8		Alternative. See response to Comment SBC-3.
9	SBC-6	The EOF already has a limited truck loading capability, which would
10		need to be modified to accommodate a high volume crude oil truck
11		loading. Given the existing capability, modification of the EOF was
12		considered compatible with existing land uses. Additional discussion
13		was provided in the DEIR to address this issue, which could be used by
14		the County in its evaluations.
15	SBC-7	This information has been added to the Final EIR on page 4-42.
16	SBC-8	Comment noted; however, as stated in Section 1.4, "Since the
17		proposed Project would not include construction of new facilities or
18		modifications to existing facilities, the Applicant would not require any
19		additional new permits or approvals. However, the existing facilities are
20		currently subject to existing permits, approvals and regulatory
21		requirements..."
22	SBC-9	The DEIR at Page 4.2-16, lines 23-24 indicates, "Leak detection
23		capabilities on this pipeline are comprised of visual and odor monitoring
24		by personnel during loading..." The pipeline is previously described as
25		extending from the pumphouse to the barge. See also sections 2340
26		and 2375 of Article 5, Marine Terminals Inspection and Monitoring in
27		Title 2, Division 3, Chapter 1, California Code of Regulations. See Also
28		section 2365 regarding Lighting.
29	SBC-10	While there is no site-specific wave height data available for the EMT
30		loading area, wave height measurement data from the nearby Goleta
31		Point Buoy (Coastal Data Information Program (CDIP) Station Number
32		107) indicates that swell and local wind wave heights have a high
33		persistence above 0.6 meters. While the EMT loading site is slightly

1 more shielded than the Goleta Point Buoy location, the EMT is still well  
2 exposed to prevailing westerly winds and wind waves.

3 During the period 2003 through 2005, the Goleta Point Buoy recorded  
4 only four days with a significant wave height of 0.5 meters or less  
5 persisting for the entire day. This would indicate that the EMT would  
6 only be available for loading 0.4 percent of the time. Following the same  
7 analysis for a significant wave height of 1.0 meters, the EMT would be  
8 unavailable 75 percent of the time. Given the existing sea state  
9 conditions that exist at the project site, the preclusion of barge loading  
10 when the sea state exceeds 0.6 meters would make operation of the  
11 terminal infeasible.

12 Additionally, Final EIR mitigation measures HM-4a and HM-5a would  
13 substantially reduce the volume of a potential oil spill and impacts  
14 should a spill occur within the boomed area around the barge. HM-5a  
15 further requires that the booms are effective for the ocean conditions at  
16 the EMT location, which should further minimize potential oil spill  
17 impacts that could occur during barge loading.

18 SBC-11 While the transit distance between the EMT and San Francisco Bay  
19 area is greater than the distance to the Ports of Los Angeles  
20 (POLA)/Long Beach (POLB) area, accident rates and spill probabilities  
21 are not substantially different for these two routes. Vessel traffic  
22 between along the Los Angeles/Long Beach route is higher and more  
23 concentrated than the San Francisco Bay, which would lead to a higher  
24 accident probability along the southern route. In terms of sensitive  
25 areas, both routes require barge transportation adjacent to National  
26 Marine Sanctuaries; Monterey Bay (MBNMS) and Gulf of Farallones  
27 (FNMS) to the north and Channel Islands (CINMS) to the south.  
28 Therefore, regardless of the route selected, a potential oil spill would  
29 have a high probability of impacting a NMS.

30 Currently, shipping routes would take the barge through a NMS  
31 regardless of shipping direction. In 2000, the United Nations'  
32 International Maritime Organization (IMO) approved shipping routes  
33 that are designed to minimize potential impacts on these the CNMS,  
34 MBNMC, and CINMS. The route between the EMT and San Francisco

1		was moved further out to sea, thus avoiding most of the MBNMS. This
2		change in shipping routes substantially reduces potential impacts on
3		the MBNMS in the event of an oil spill from the barge.
4		Limiting barge routes could also have a significant impact on the
5		feasibility of the proposed Project. Currently, all EMT shipments are
6		destined to the San Francisco Bay area due to limitations on using the
7		Barge Jovalan at its normal destination in the POLA/POLB. Under
8		current conditions, a mitigation measure limiting barge shipments from
9		the EMT to the POLA/POLB route would, as with Comment SBC-10,
10		make operation of the terminal infeasible.
11	SBC-12	A discussion and calculations utilizing the Poisson equation for multiple
12		spills has been added to risk, Section 4.2.1, existing facility risks,
13		scenario frequencies and under the proposed Project impact section.
14		The risk of a project-related oil spill remains a significant Class I impact
15		(see pages 4-16 and 4-17).
16	SBC-13	The requested text has been added to the Final EIR on page 4-2.
17	SBC-14	At the time the DEIR was written, Venoco did not have a complete
18		application for their Full Field Development Project. Subsequent to
19		completion of the DEIR, Venoco's application was deemed complete.
20		The Final EIR has been revised to update the status of this project (see
21		page 4-2).
22	SBC-15	Section 4.2.5 of the Final EIR clearly notes that the adverse impacts
23		associated with the EMT would cease to exist. Specifically, Impacts HB-
24		11, HM-12 and HM-13 note the beneficial impact associated with
25		cessation of EMT operations.